U7860-1
8/24/88

Business In Nebraska

August 1988
Vol. 43 No. 527

BB

Prepared by the Bureau of Business Research
200 College of Business Administration
University of Nebraska, Lincoln, NE 68588-0406
402/472-2334

Nebraska Population Changes Studied

The following is excerpted from a study by James R. Schmidt and Donald E. Pursell of the University of Nebraska-Lincoln.

Nebraska's population has expanded slowly since 1970. The 1970 population was 1,482,414. It swelled to 1,569,825 in 1980. According to estimates prepared by the U.S. Bureau of the Census, Nebraska's population continued to increase until 1984. There was no change in 1985 and a loss of 7,000 inhabitants between 1985 and 1986.

During the 1970-1985 span, Nebraska's population growth did not match the natural increase of population. Resident Nebraska births averaged around 25,000 yearly since 1970, and deaths averaged around 14,500 per year. Net outmigration was around 13,000 for the 1970s--it showed a marked jump in 1979 and 1980 as economic conditions worsened. According to the Bureau of the Census, net outmigration from Nebraska has grown in 1985 and 1986. Estimates are that over 10,600 more persons left in 1985 than entered, while approximately 16,700 more left in 1986 than entered Nebraska.

Projecting population can be a hazardous business. Projections are mechanical extrapolations of expected trends. They reflect simulations of mortality, fertility, and migration.

Mortality is the most readily measurable of the components. Mortality has changed little over the last twenty years, although there has been a slight lengthening of the life span. A slight decrease in mortality is projected, but its impact upon the population in the year 2000 is minimal.

Fertility will have a larger impact than mortality upon the population in the year 2000.

(continued on page 2)

Schmidt, Erickson to Assist

Lamphear to Head BBR

UNL economics professor F. Charles Lamphear has been appointed interim director of the Bureau of Business Research. Serving as acting associate director will be former Bureau research associate James R. Schmidt. Schmidt currently is an associate professor in the UNL economics department.

Lamphear and Schmidt say that the focus of Bureau projects will be various facets of the Nebraska economy. One of their first goals is to revitalize *Business in Nebraska*. Other plans include publication next winter of an in-depth study of the state's economic condition and installation of a telephone hotline for up-to-the-minute information.

Assisting Lamphear and Schmidt will be Merlin W., "Swede," Erickson, a well-known local consultant who has been tapped as statistical coordinator, a new spot at the Bureau of Business Research. Erickson was an agricultural economist with the Economics Research Service of the U.S. Department of Agriculture.

The faculty, staff, and administration of the College of Business Administration salute Don Pursell for his years of service. During his tenure at the Bureau of Business Research, Don has made a significant contribution to the state.

In his new slot, Don will continue to work with the Bureau and the College, as well as with the Food Processing Center, the Medical Center, and other University departments.

We wish Don the best of luck in his new position and thank him for all his hard work during the last twelve years.

Gary Schwendiman, Dean
UN-L College of Business Administration

Pursell Named to New Economic Development Position

To match the national trend of university involvement in economic development, the University of Nebraska named Don Pursell as its economic development coordinator on August 1.

The first task of this one-man, state-funded post will be to inventory all University economic development programs currently in place. No research will be conducted initially.

The long-term goals of the position are not clearly defined, but Pursell says his mission is to improve Nebraska income and employment growth through economic diversification.

Population (continued)

Fertility in Nebraska is similar to national trends. Since 1980, it has declined by slightly less than 5.0 percent. Fertility is expected to continue to drop slowly between now and the year 2000. In Nebraska, the most important variable is not the fertility rate, but the number of young persons age 20 through 34. Fertility rates could vary by as much as 2.0 percent by the year 2000, depending upon the rate of migration.

Migration is the component of change that will have the largest impact upon Nebraska's population in the year 2000. Net outmigration rates are larger for persons age 20 through 29 than any other group. Even during the 1970s when conditions were more favorable for holding young persons, there was a net movement from Nebraska. This trend has accelerated in the 1980s.

The Nebraska economy will be a critical factor in determining the rate of net outmigration during the next decade. The economy of the 1980s has not been sufficient to stem the draining tide of outmigration. Continued farm sector instability will not affect net outmigration favorably.

Population in Nebraska is not expected to increase over the next decade without much stronger economic growth in the state. Net outmigration, particularly severe in the 20 to 29 age group, will continue to occur. This pattern repeats the experience of the 1960s and 1970s when a variety of economic and social conditions were encountered but net outmigration persisted.

Nebraska Business Conditions

The Bureau of Business Research maintains current and historical records of Nebraska state population, retail sales, state personal income, population by city and county, employment, and other databases.

For additional information, call statistical technician David D. DeFruiter at the Bureau of Business Research, 402/472-2334. Office hours during the fall and spring semesters are 8:00 to 12:00 and 1:00 to 5:00.

PRICE INDEXES
June 1988

	Index	Percent of Same Month Last Year
Consumer Prices (1982-84 = 100)	118.0	103.9
Commodity Component	111.1	103.2
Wholesale Prices (1982 = 100)	107.9	102.3
Agricultural Prices (1977 = 100)		
United States	159.0	106.9
Nebraska	154.0	111.6

* Using arithmetic average of monthly indexes
Sources: Consumer and Wholesale Prices: U.S. Bureau of Labor Statistics
Agricultural Prices: U.S. Department of Agriculture

NET TAXABLE RETAIL SALES
of
NEBRASKA REGIONS AND CITIES

Region Number and City*	City Sales * April 1988 as Percent of April 1987	Sales In Region * April 1988 as Percent of April 1987	Sales In Region * 1988 to Date as Percent of 1987 to Date
The State	103.0	105.4	113.3
1 Omaha	102.2	103.9	109.4
Bellevue	97.9		
Blair	114.2		
2 Lincoln	107.4	111.2	114.8
3 South Sioux City	110.1	112.4	136.2
4 Nebraska City	106.9	107.9	111.7
6 Fremont	113.0	113.6	119.1
West Point	123.4		
7 Falls City	108.8	111.9	111.5
8 Seward	120.9	114.0	115.6
9 York	115.0	108.8	115.0
10 Columbus	119.5	115.9	117.0
11 Norfolk	123.4	120.1	119.9
Wayne	121.2		
12 Grand Island	107.1	108.3	118.8
13 Hastings	106.9	110.0	113.4
14 Beatrice	112.7	118.3	113.4
Fairbury	147.2		
15 Kearney	136.8	129.6	123.4
16 Lexington	134.8	120.9	126.1
17 Holdrege	112.7	108.7	118.4
18 North Platte	118.3	119.0	120.6
19 Ogallala	108.7	115.6	116.0
20 McCook	125.9	121.8	126.9
21 Sidney	95.9	104.0	109.8
Kimball	113.2		
22 Scottsbluff/Gering	94.7	108.2	108.9
23 Alliance	104.3	106.2	115.5
Chadron	91.6		
24 O'Neill	118.9	113.6	119.7
25 Hartington	117.9	106.1	114.5
26 Broken Bow	117.7	121.6	128.0

* Sales on which sales taxes are collected by retailers located in the state. Region totals include motor vehicle sales; city totals exclude motor vehicle sales.
Compiled from data provided by Nebraska Department of Revenue

CITY BUSINESS INDICATORS
April 1988
Percent of Same Month One Year Ago

The State and Its Trading Centers	Employment (1)	Building Activity (2)	Power Consumption (3)
The State	93.6	120.3	92.4
Alliance	97.0	50.4	91.4
Beatrice	98.9	113.1	101.6
Bellevue	100.8	84.7	50.0
Blair	101.5	14.8	103.2
Broken Bow	95.3	227.7	87.3
Chadron	98.0	38.4	94.7
Columbus	102.2	132.7	103.6
Fairbury	100.3	3067.8	85.9
Falls City	98.0	96.5	96.4
Fremont	99.2	84.3	44.0
Grand Island	69.1	175.1	89.2
Hastings	95.8	178.7	64.1
Holdrege	96.1	178.1	91.7
Kearney	98.4	340.8	78.2
Lexington	95.5	288.3	126.2
Lincoln	91.7	163.5	100.7
McCook	96.8	1060.7	82.7
Nebraska City	95.9	94.0	95.9
Norfolk	102.5	95.1	88.7
North Platte	94.2	89.2	38.8
Omaha	100.8	95.7	105.5
Scottsbluff/Gering	94.6	105.6	103.8
Seward	97.1	84.1	106.5
Sidney	95.4	206.8	41.8
South Sioux City	95.2	99.2	95.9
York	0.0	150.2	100.8

(1) As a proxy for city employment, total employment (labor force basis) for the county in which a city is located is used.
(2) Building Activity is the value of building permits issued as spread over an appropriate time period of construction. The U.S. Department of Commerce Composite Construction Cost Index is used to adjust construction activity for price changes.
(3) Power Consumption is a combined index of consumption of electricity and natural gas except in cases marked * for which only one is used.
Sources: Labor Market Information Division of the Nebraska Department of Labor and reports from private and public agencies.

Business in Nebraska

PREPARED BY BUREAU OF BUSINESS RESEARCH
Association for University Business & Economic Research

Business in Nebraska is issued as a public service and mailed free of charge within the state upon request to 200 CBA, University of Nebraska-Lincoln, Lincoln, NE 68588-0406. Copyright 1988 by Bureau of Business

August 1988, Volume 43 No. 527

University of Nebraska-Lincoln-- Martin Massengale, *Chancellor*
College of Business Administration--Gary Schwendiman, *Dean*

Bureau of Business Research
P. Charles Lamphear, *Interim Director*
James R. Schmidt, *Acting Associate Director*
Merlin W. Erickson, *Statistical Coordinator*
Margo Young, *Editorial Assistant*

The University of Nebraska-Lincoln does not discriminate in its academic, admission, or employment programs and abides by all federal regulations pertaining to same.

Non-Profit Org.
U. S. Postage
PAID
Lincoln, Nebraska
Permit No. 46

CONGRESSIONAL INFO SERVIC270238
SRI BR
4520 EAST-WEST HWY
BETHESDA, MD 20814